

Board of Tax Appeals

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2019 Total App	FY 2019 Actual	FY 2020 Approp	FY 2021 Request	FY 2021 Gov Rec
BY FUND CATEGORY					
General	618,500	566,400	635,600	655,700	634,500
Percent Change:		(8.4%)	12.2%	3.2%	(0.2%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	522,400	463,300	534,600	550,400	530,400
Operating Expenditures	91,800	91,800	101,000	105,300	104,100
Capital Outlay	4,300	11,300	0	0	0
Total:	618,500	566,400	635,600	655,700	634,500
Full-Time Positions (FTP)	5.00	5.00	5.00	5.00	5.00

Division Description

The Board of Tax Appeals (Section 63-3801, Idaho Code) provides taxpayers the opportunity to appeal their ad valorem assessed valuations from a county board of equalization or tax decisions from the Idaho State Tax Commission. The three-member board provides an opportunity for appellants and respondents to present testimony and evidence at a quasi-judicial board hearing, rather than through a district court trial which can necessitate legal representation and expense.

Board of Tax Appeals Agency Profile

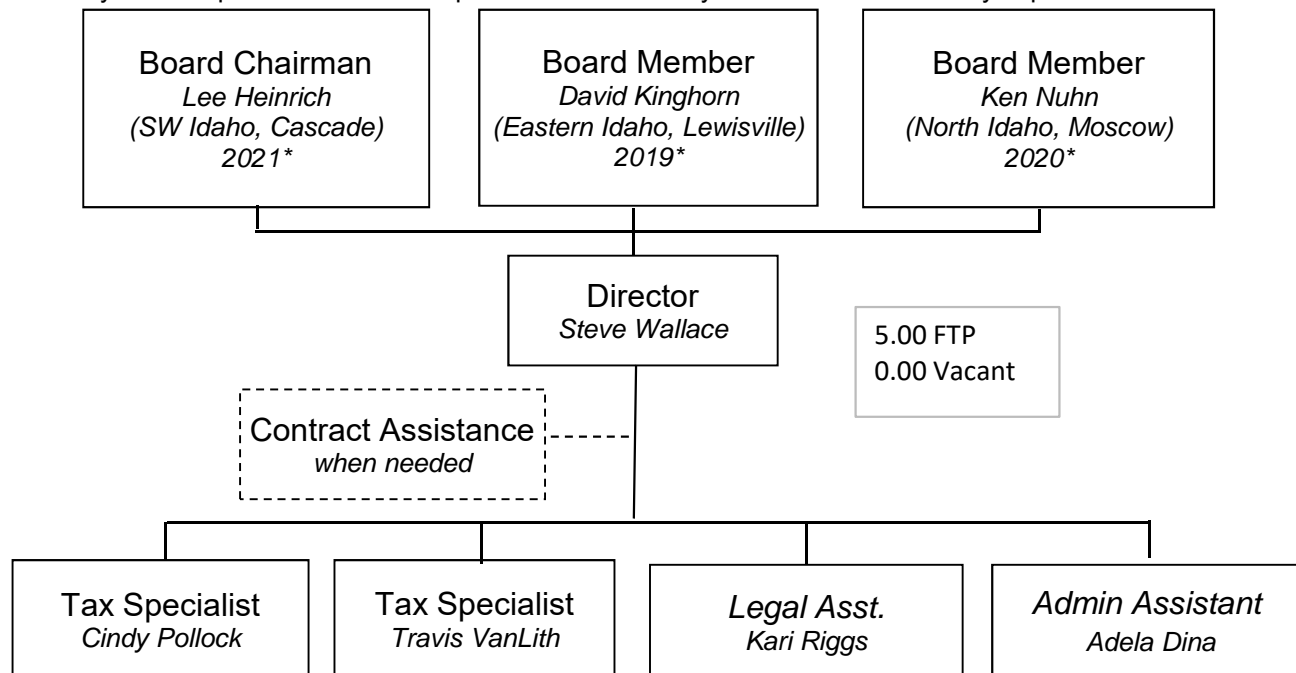
Analyst: Bybee

	FY 2016	FY 2017	FY 2018	FY 2019
Key Services Provided				
1. Number of Tax Appeals Filed	293	230	358	288
2. Appeals Settled/Withdrawn/Dismissed	174	115	98	89
3. Decisions Rendered	119	92	260	199
4. Reconsideration Motions Filed	15	8	8	13
5. Appeals taken to District Court	4	2	5	11

Selected Performance Measures				
6. Hearings held within 90 days of appeal benchmark is 100%	94%	79%	35%	84%
7. Decisions issued within 105 days of hearing benchmark is 100%	52%	21%	92%	96%
8. Tax Com. related decisions within 180 days benchmark is 100%	83%	44%	73%	100%
9. Ad valorem related decisions by May 1 benchmark is 100%	99%	100%	100%	100%

Organizational Chart

* 3 yr term expires June 30. Compensation is \$300/day + actual and necessary expenses



<https://dfm.idaho.gov/publications/bb/perfreport/>

Board of Tax Appeals

Comparative Summary

Analyst: Bybee

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2020 Original Appropriation	5.00	635,600	635,600	5.00	635,600	635,600
1. Additional Hearing Costs	0.00	42,100	42,100	0.00	42,100	42,100
Sick Leave Rate Reduction	0.00	0	0	0.00	(1,300)	(1,300)
1% Onetime General Fund Rescission	0.00	0	0	0.00	(6,400)	(6,400)
FY 2020 Total Appropriation	5.00	677,700	677,700	5.00	670,000	670,000
Removal of Onetime Expenditures	0.00	(42,100)	(42,100)	0.00	(42,100)	(42,100)
Restore Ongoing Rescissions	0.00	0	0	0.00	7,700	7,700
FY 2021 Base	5.00	635,600	635,600	5.00	635,600	635,600
Benefit Costs	0.00	11,100	11,100	0.00	(2,000)	(2,000)
Inflationary Adjustments	0.00	3,600	3,600	0.00	1,200	1,200
Statewide Cost Allocation	0.00	700	700	0.00	700	700
Change in Employee Compensation	0.00	4,700	4,700	0.00	8,500	8,500
FY 2021 Program Maintenance	5.00	655,700	655,700	5.00	644,000	644,000
OITS 1 - Operating Costs	0.00	0	0	0.00	100	100
OITS 2 - Servers and Licensing	0.00	0	0	0.00	700	700
OITS 4 - Agency Billings	0.00	0	0	0.00	2,400	2,400
2% General Fund Reduction & Exemptions	0.00	0	0	0.00	(12,700)	(12,700)
FY 2021 Total	5.00	655,700	655,700	5.00	634,500	634,500
Change from Original Appropriation	0.00	20,100	20,100	0.00	(1,100)	(1,100)
% Change from Original Appropriation		3.2%	3.2%		(0.2%)	(0.2%)

Board of Tax Appeals

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Original Appropriation					
The Legislature provided additional funding in FY 2020 that included \$4,200 for technology consolidation and modernization.					
	5.00	635,600	0	0	635,600

1. Additional Hearing Costs

The current appropriation will fund approximately 250 appeals. This request is for additional board hours and operating funds for FY 2020 based on an estimated 575 appeals. The request funds an additional 24 days for board members at \$300 per day for a total of \$7,200. Furthermore, onetime additional communication costs, hearing costs, and supplies average about \$22 per appeal plus an additional \$20,300 for outside legal costs. Additional operating costs of \$34,900 are requested based on an estimated 300 additional appeals in FY 2020. This request is related to the estimated increased volume of appeals from special assessment decisions made by the Bannock County Board of Equalization. [Onetime]

Agency Request	0.00	42,100	0	0	42,100
Governor's Recommendation	0.00	42,100	0	0	42,100

Sick Leave Rate Reduction

Agency Request	0.00	0	0	0	0
----------------	------	---	---	---	---

The Governor recommends a six-month reduction of funding for employers who contribute to the PERSI-managed sick leave plan. This reduction will begin to draw down the reserve balance, which has grown significantly during the past several years.

Governor's Recommendation	0.00	(1,300)	0	0	(1,300)
---------------------------	------	---------	---	---	---------

1% Onetime General Fund Rescission

Agency Request	0.00	0	0	0	0
----------------	------	---	---	---	---

The Governor recommends a onetime 1% General Fund rescission.

Governor's Recommendation	0.00	(6,400)	0	0	(6,400)
---------------------------	------	---------	---	---	---------

FY 2020 Total Appropriation

Agency Request	5.00	677,700	0	0	677,700
Governor's Recommendation	5.00	670,000	0	0	670,000

Removal of Onetime Expenditures

Removes onetime funding from supplemental request.

Agency Request	0.00	(42,100)	0	0	(42,100)
Governor's Recommendation	0.00	(42,100)	0	0	(42,100)

Restore Ongoing Rescissions

Agency Request	0.00	0	0	0	0
----------------	------	---	---	---	---

The Governor recommends restoration of the 1% General Fund rescission and sick leave rate reduction.

Governor's Recommendation	0.00	7,700	0	0	7,700
---------------------------	------	-------	---	---	-------

FY 2021 Base

Agency Request	5.00	635,600	0	0	635,600
Governor's Recommendation	5.00	635,600	0	0	635,600

Benefit Costs

Employer-paid benefit changes include an 18.9% increase (or \$2,200 per eligible FTP) for health insurance, bringing the total appropriation to \$13,850 per FTP. Also included are a one-year elimination of the unemployment insurance rate, a restoration of the Division of Human Resources rate, and adjustments to workers' compensation that vary by agency.

Agency Request	0.00	11,100	0	0	11,100
----------------	------	--------	---	---	--------

The Governor recommends no increase for health insurance due to fewer claims than expected and changes to federal tax policies; a one-year elimination of the sick leave rate and the unemployment insurance rate; restoration of the Division of Human Resources rate; and adjustments for workers' compensation rates.

Governor's Recommendation	0.00	(2,000)	0	0	(2,000)
---------------------------	------	---------	---	---	---------

Board of Tax Appeals

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Inflationary Adjustments					
This request of \$2,400 in general inflation is a 28.2% increase over FY 2020 for computers services related to IT consolidation and modernization. The total amount for computer services, if funded in FY 2021, is \$10,800. The request for contract inflation of \$1,200 is a 3% increase over FY 2020 for rent. The total amount for rent if funded in FY 2021 is \$42,400					
Agency Request	0.00	3,600	0	0	3,600
<i>Recommended by the Governor. General inflation for OITS charges found in OITS 4 recommendation.</i>					
Governor's Recommendation	0.00	1,200	0	0	1,200
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$300 and State Controller fees will increase by \$400, for a net increase of \$700.					
Agency Request	0.00	700	0	0	700
Governor's Recommendation	0.00	700	0	0	700
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	4,700	0	0	4,700
<i>The Governor recommends a 2% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	8,500	0	0	8,500
FY 2021 Program Maintenance					
Agency Request	5.00	655,700	0	0	655,700
Governor's Recommendation	5.00	644,000	0	0	644,000
OITS 1 - Operating Costs					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends this agency's share of ongoing funding to pay the Office of Information Technology Services for security software and data center office space located at the Chinden Campus.</i>					
Governor's Recommendation	0.00	100	0	0	100
OITS 2 - Servers and Licensing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends this agency's onetime share of funding for software licensing, server infrastructure, and storage to expand system capabilities on core systems and to maintain agency-specific software.</i>					
Governor's Recommendation	0.00	700	0	0	700
OITS 4 - Agency Billings					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends increases to certain agency budgets where OITS billings were in excess of the current year appropriation.</i>					
Governor's Recommendation	0.00	2,400	0	0	2,400

Board of Tax Appeals

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2% General Fund Reduction & Exemptions					
The Board of Tax Appeals requests the ability to reappropriate or carryover its unencumbered and unspent appropriation of up to \$42,100 associated with ad velorem appeals from FY 2020 into FY 2021. This amount is requested in a supplemental appropriation.					
Agency Request	0.00	0	0	0	0
The Governor recommends a 2% ongoing General Fund reduction across all object codes. To accomplish this reduction the Governor also recommends an exemption from Section 67-3511 (1), (2), and (3), Idaho Code, allowing unlimited transfers of all appropriated moneys among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments, as well as between budgeted programs. This exemption requires legislative approval. The Governor also recommends providing reappropriation authority for FY 2020 into FY 2021.					
Governor's Recommendation	0.00	(12,700)	0	0	(12,700)
FY 2021 Total					
Agency Request	5.00	655,700	0	0	655,700
Governor's Recommendation	5.00	634,500	0	0	634,500
Agency Request					
Change from Original App	0.00	20,100	0	0	20,100
% Change from Original App	0.0%	3.2%			3.2%
Governor's Recommendation					
Change from Original App	0.00	(1,100)	0	0	(1,100)
% Change from Original App	0.0%	(0.2%)			(0.2%)

Tax Appeals, Board of

FY 2019 Actual Expenditures by Division

Analyst: Bybee

			FTP	PC	OE	CO	T/B	LS	Total
0.30	FY 2019 Original Appropriation								
0001-00	Gen		5.00	522,400	81,900	4,300	0	0	608,600
Totals:			5.00	522,400	81,900	4,300	0	0	608,600
0.43	Supplementals								
0001-00	Gen		0.00	0	9,900	0	0	0	9,900
Totals:			0.00	0	9,900	0	0	0	9,900
1.00	FY 2019 Total Appropriation								
0001-00	Gen		5.00	522,400	91,800	4,300	0	0	618,500
Totals:			5.00	522,400	91,800	4,300	0	0	618,500
1.21	Net Object Transfer								
0001-00	Gen		0.00	(7,100)	0	7,100	0	0	0
Totals:			0.00	(7,100)	0	7,100	0	0	0
1.61	Reverted Appropriation								
0001-00	Gen		0.00	(52,000)	0	(100)	0	0	(52,100)
Totals:			0.00	(52,000)	0	(100)	0	0	(52,100)
2.00	FY 2019 Actual Expenditures								
0001-00	Gen		5.00	463,300	91,800	11,300	0	0	566,400
	General			463,300	91,800	11,300	0	0	566,400
Totals:			5.00	463,300	91,800	11,300	0	0	566,400
Difference: Actual Expenditures minus Total Appropriation									
0001-00	Gen			(59,100)	0	7,000	0	0	(52,100)
	General			(11.3%)	0.0%	162.8%	N/A	N/A	(8.4%)
Difference From Total Approp				(59,100)	0	7,000	0	0	(52,100)
Percent Diff From Total Approp				(11.3%)	0.0%	162.8%	N/A	N/A	(8.4%)

Idaho Board of Tax Appeals (BTA)**Revised plan to address Governor's budgetary reductions**

Dated November 15, 2019

By Steve Wallace, Dir.

BTA historically 100% General Fund.

No exclusion has been granted regarding targeted reductions.

FY 2020 budgeting includes pending supplemental for \$42,100 (to hear Bannock County appeals).

Revised plan is needed to calculate 1% rescission amount off of the FY 2020 original appropriation. 2% plan is revised slightly to reduce an overage amount.

FY 2020 1% rescission

Appropriation	635,600
1%	6,356

Reduction plan PC savings 6,356 consisting of savings from board member group appropriation/Kinghorn

FY 2021 2% base reduction

Base	635,600	does not include supplemental request
2%	12,712	

Reduction Plan		
PC staff	7,900	consisting of \$2,000 uncommitted staff PC funds & a \$5,900 reduction from work schedule change to OS2 position
PC board broup	4,815	240 per diems reduced to 225 per diems at a \$300 per diem rate plus payroll taxes (7%)
OE	-	OE funding level has been very tight or even short in recent years constraining the hearing of cases in an optimum manner
CO	na	
Total reductions	12,715	assumes change to OS2 work schedule is in place at beginning of fiscal year (40 hours per week reduced to 32.5)